

## **LOUISVILLE METRO COUNCIL COMMITTEE MINUTES**

### **Government Accountability and Oversight**

**Wednesday, August 26, 2009**

**4:12 P.M.**

**Third Floor, City Hall**

**Present:**                      **Chairman:**      **CM Downard**  
                                 **Vice Chair:**    **CM King**  
                                 **Members:**    **CM Kramer, CM Henderson, CM Ward-Pugh,**  
   **and CM Brent Ackerson**

**Absent:**                                      **CM Fleming (Excused)**

Chairman Downard began the meeting by introducing the members and non-members of the committee that were present. A quorum was established.

### **Special Items For Discussion – Cordish Review and Affordable Housing Trust Fund**

#### **Cordish Review**

Chairman Downard gave a brief History of 4th Street Live and the Cordish Company.

Beth Stenberg, Financial Analysis, spoke giving a review of the 4th Street Forgivable Loan Expenditure Documentation August 2009 report (Attached). The following was discussed:

- Objective
- Internal Controls
- Appropriateness of the Loan
- Scope
- Scope Limitation
- Confidentiality Agreement
- Results

Co-Chair King also spoke to help explain the report. He stated the results of the review seem to be ok. The following was discussed

- There is no Audit feature in the agreement with Cordish
- Will have an Audit feature in future agreements
- Three Levels in verification
  - Compilations
  - Review
  - Audit

The following was also discussed:

- Trust and Verify
- This City should not enter into agreements where there is no audit

#### **Affordable Housing Trust Fund**

Tina Heavrin, Interim Director for Housing and Family Services, spoke stating the task force was requested to reconvene, look at the Affordable Housing Trust Fund and taking the staffing of it outside of Metro Government. The Mayor accepted the report with a modification limiting the amount of the funds that could be spent on administration.

David Howard, Director of Housing for Metro Government, and Rachael Hurst, Catholic Charities, were present to speak and answer questions. Handouts were given (Attached). The following was discussed:

- Amend portions of the ordinance pertaining to administration
  - Allow the Board to encroach on seed money
  - Allow the Board to issue an RFP to ask for For-Profit or Not-for profit agencies who would like to provide administration to the trust

- Encouraging the Mayor and Metro Council to move forward as quickly as possible on nominating members for the Board
- The Task Force is requesting the Mayor submit a roster to the Council within 30 days after adoption of an amended ordinance
- The Task Force is requesting that the \$1,000,000 in seed money be turned over to the Trust so it can get started

The following was discussed:

- Ultimate goal - Establish an ongoing sustainable public revenue
- Source of revenue for the trust fund in the future
- Definition of an Affordable Housing Trust Fund
- Individuals would not apply to the Trust
- For-profit and Non-profit organization would apply to the Trust
- Limitation of administrative costs
- Need for flexibility
- Importance of establishing the Board
- Partnering in the future

Motion to Adjourn made by Jim King and seconded by Robert Henderson. Without objection the Meeting adjourned at 5:10 P.M.

**KQG**